SWAMI RAMANAND TEERTH MARATHWADA UNIVERSITY

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Synopsis

Research Topic

"A Comprehensive Analysis of Digital Payment Adoption and Socio-Economic Progress in Latur District" (2014-2023)

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1. Introduction:

Out of many inventions in the world, use of digital technology has revolutionized various sectors, including finance and payment systems. At the global level, foundation of digital payments system can be traced back to the decade of 1970-80s, where USA introduced electronic funds transfer (EFT) and automated clearing houses (ACH) which allowed transferring funds between banks. Emergence of internet and foundation of PayPal in 1988 made online payments more convenient. Toward 2000s online banking gained momentum. Increasing use of mobile especially after 2000 onwards lead to the mobile based payment systems. Country like Kenia introduced M-Pesa in 2007, which allowed peoples to transfer money by simply texting massages, making available banking services in unbanked areas. Further with penetration of mobile, internet and accessibility digital wallets such as Google Pay, Samsung Pay, Apple Pay etc. emerged as game changer in development of digital payment systems.

If we look at the India specific development, introduction of ATMs took place around 2000. ICICI was the first bank in the country to introduce internet banking in India. National Payment Corporation of India (NPCI) was established in 2007 by RBI in association with Indian Bank Association (IBA) for payment and settlement infrastructure in India. Indian banks were facing issues related to fund transfer after duration of banking hours, so Immediate payment Service (IMPS) was launched in 2010 for providing 24 x 7 real time fund transfer. Major innovation was launch of Unified Payments Interface (UPI) introduced in year 2016 which enabled seamless and real-time transactions using mobile phones. UPI based digital wallets such as Paytm, google pay, PhonePe have further popularised the use of digital payment system, which have immense impact on India's economy i.e., increased money supply, growth of transactions and businesses, formalisation of economy, curb of black money, disbursement of subsidies through DBT etc. RBI has established rules and guidelines for digital payments in India.

Latur is district of Maharashtra having total area of 7157sq.kms. As per the 2011 census total population of district is 2454196 of which 1273140 were male and 1181056 were females. Out of total population 25.47% lives in urban areas and 74.53% lives in rural areas covering 10 talukas and 948 villages. Actually, I wanted to study particular topic for entire Maharashtra but due to constraint of time, money and resources this study is limited to Latur district. Study will be carried for the period of last 10 years spanning from 2014-2023.

2. Significance:

The Digital payment adoption has the potential to significantly impact progress in regions like Latur District which is socio-economically backward district of Marathwada region. This research aims to comprehensively evaluate adoption of digital payments among rural-urban, male-female and working-non working. Study is important to understand the benefits, challenges, and implications of this transition. Study will be helpful in understanding impact of governments Digital India Initiative, rural-urban divide, consumer behaviour, financial inclusion, challenges to adoption of digital payments and finally providing inputs to policy makers. Through the relationship between digital payment adoption and socio-economic progress in Latur District I desire to understand the adoption of digital payment, local impact of this technological changes, identify areas where improvement necessary and contribute valuable insights that can be used for local development and broader discussions on the role of digital payments in socio-economic progress

3. Research Problem:

1. What is the status of digital payment adoption among rural and urban population in Latur district?
2. Does digital payment adoption same among male and female, working and non-working population?
3. Is there any role of digital payment adoption in financial inclusion?
4. What are the challenges to adoption of digital payment adoption in Latur district?

4. Objectives:

Following objectives are outlined for the fulfilment of expectations of research topic.

1. To understand the meaning and development of digital payment system.
2. To obtain and evaluate adoption rate of digital payments among rural and urban population.
3. To obtain and evaluate adoption rate of digital payments among male and females.
4. To obtain and evaluate adoption rate digital payments among working ang non-working population.
5. To assess the impact of digital payment adoption on financial inclusion.
6. To investigate the benefits, potential barriers and challenges to adoption of digital payments.

5. Hypothesis:

Hypothesis 1:

H0- Digital payment adoption level in urban and rural areas of Latur District is same
H1- Digital payment adoption level in urban and rural areas of Latur District is not same

Hypothesis 2:
H0- digital payment adoption level in Male and Female of Latur District is same
H1- digital payment adoption level in Male and Female of Latur District is not same

Hypothesis 3:

H0- digital payment adoption level in Working and Non-working people of Latur District is same
H1- digital payment adoption level in Working and Non-working people of Latur District is not same

Hypothesis 4

H0-digital payments have positive impact on financial inclusion
H1- digital payments have Negative (not positive) impact on financial inclusion

6. Research Methodology:

Quantitative Data and Qualitative Data:

Primary Data: Survey method through developing a structured questionnaire to collect quantitative data on digital payment adoption, socio-economic indicators, and demographic factors. Ensuring that survey includes questions related to adoption behaviour, frequency of use, reasons for adoption or non-adoption, and perceived benefits or challenges.

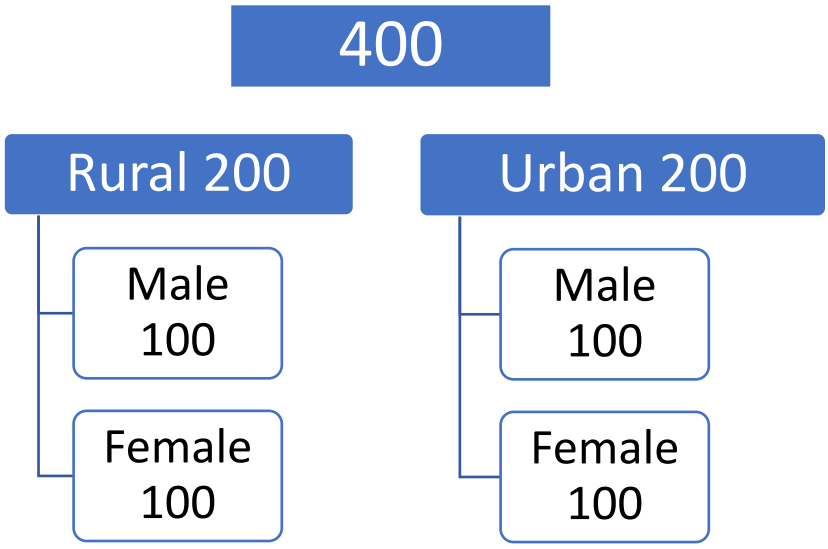
Secondary Data: Secondary data sources include reports of RBI, NPCI and various other government agencies. Census reports will be used for demographic and socio-economic data related to Latur District. Other sources include academic journals, research papers, official websites etc.

Sampling method:

Use stratified random sampling to ensure representation across different genders, income, education backgrounds, and geographic areas within Latur District.

Sample Size-

400 sample size. 200 sample size from Urban and Rural area each. 100 sample size from Male and female in urban and rural area each. Working and Non-working sample size 50 from Urban and Rural area with male and female division.



Data Analysis:

Quantitative Data: Use descriptive statistics to summarize quantitative survey data, presenting adoption rates, frequency of use, and other relevant metrics.

- Use of t-test and chi-square test

7. Research Design:

Chapter 1. Introduction:

Background and Context, Concept of digital payment, Evolution of Digital Payments, Different modes of digital payment.

Chapter 2. Socio-Economic Profile of Latur District:

Geographical and Demographic Overview, Economic Activities and Industries, Financial Inclusion and Access to Banking Services, Traditional Payment Systems in Latur District

Chapter 3. Literature Review:

Studies on Digital Payment Adoption, Gaps in Existing Literature

Chapter 4. Research Methodology:

Sampling Design, Questionnaire Development, Data Collection methods, Tools and Techniques of Data Analysis

Chapter 5. Comparative Analysis:

5.1 Urban vs. Rural Digital Payment Adoption

Digital Payment Adoption in Urban Areas of Latur District, Digital Payment Adoption in Rural Areas of Latur District, Addressing Rural-Urban Disparities in Digital Payment Adoption

5.2 Comparative Analysis: Male vs. Female Digital Payment Adoption

5.3 Comparative Analysis: working vs. Non-working Digital Payment Adoption

Chapter 6. Factors Influencing Digital Payment Adoption and challenges:

6.1 Factors Influencing adoption:

Awareness and Knowledge about Digital Payments, Trust and Security Concerns, Infrastructure and Connectivity, Socio-Economic and Cultural Factors, User Experience and Convenience.

6.2 Challenges to adoption:

Identifying Key Challenges in Digital Payment Adoption, Policy Recommendations to Overcome Adoption Barriers, Strategies for Enhancing Digital Payment Literacy and Awareness.

Chapter 7. Conclusions and Recommendations

Summary of Findings, Implications for Socio-Economic Development, Future Research Directions

8. Expected Results-

The digital payment adoption level is higher in urban area, Male and Working population than rural area, Female and Non-working population of Latur district. There is positive correlation between Digital Payment Adoption and Socio-Economic Progress in Latur District.

9. Plan of Work-

Year	Structure of Research Work	Time span
2022-23	Research topic- Primary Reading and Information collection	6 months
	Research literature of review-collection and organization of information	6 months
2023-24	Secondary data collection	6 months
	Primary data collection	6 months
2024-25	Analysis of Primary data by using Statistical tool and formation of basic structure of research	6 months
	Research report writing and thesis submission.	6 months

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